

From: Larry Barone
To: 'microsoft.atr(a)usdoj.gov'
Date: 1/26/02 4:35pm
Subject: Microsoft Settlement

To: Department of Justice

Ladies and Gentlemen:

I am an owner of a small engineering services business which has been operating now for the past 25 years. I am writing this letter from this perspective and in particular to comment on the events of the past few years regarding Microsoft, and to also offer my thoughts as a consumer on my opinion of Microsoft as a company, their business practices, and how I view them as a consumer of their products.

I have been watching with much interest, the progress of the lawsuits agaisned Microsoft over the past few years. Initially, I was of the opinion that it seemed to be an unusual alliance between government, and Microsoft's competitors. I could understand the desire of their competitors to gain leverage agaisned Microsoft whatever way they could, but was surprised that they were able to enlist the aid of the government in their effort. However, as the case progressed, I was persuaded that some of Microsoft's practices were probably subject to criticism with some remediation being in order.

However, I have another way of looking at all of this since I am a committed consumer of their products, which is to attempt to measure what the net benefit has been to the consumer of the all the activities of Microsoft for the past two decades. If the experience of my small company is any measure of the true value that Microsoft products have brought to the small businesses of this country, the net value to the economy of this country has been enhanced beyond measure. For the first five years of operating this business, large investments in computers in excess of \$60,000 resulted in only the marginal ability to do word processing. However, in the early 1980's, with the advent of the personal computer, powered by Microsoft operating systems and applications software by Microsoft and other suppliers, our business model was completely automated and revolutionized. In the intervening years, we have witnessed and benefited from an increasing level of integration of applications which have been offered at a cost which goes beyond affordable. In most cases, the price of the current Microsoft small business office automation offerings is under priced when we measure the value it brings to our enterprise. Today that same \$60,000 will purchase capabilities which have been conservatively estimated to be worth 100 times the original value. Another perspective about Microsoft which seems to be overlooked at least by the media in their reporting, is that unquestionably, Microsoft understands who their primary customer is - the consumer and small business. Their competitors pay lip service to us but typically have their primary focus on the big corporate and institutional

accounts. And regardless of what can be said about their business practices, one of the major reasons for their success is the fact that they are very focused on the needs of their primary customer.

I believe that the current settlement which has been agreed to needs to be ratified for the reason, that I believe that the recent legal struggle will have a chilling effect on Microsoft, regardless of the eventual details of the settlement. They will be restrained from behavior which will be in any way interpreted as stifling competition. However, going forward with a settlement is also important, as a signal and precedent to other greedy self interested competitors who would be motivated to get in court what they cannot achieve in the open market. I urge you to ratify the current settlement agreement.

Thank you for considering my comments and opinions.

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President

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